

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6261

BILL NUMBER: SB 4

NOTE PREPARED: Mar 1, 2012

BILL AMENDED: Jan 5, 2012

SUBJECT: Human Trafficking.

FIRST AUTHOR: Sen. Head

FIRST SPONSOR: Rep. Steuerwald

BILL STATUS: Enrolled

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that recruiting, harboring, or transporting another person to participate in sexual conduct by force, threat of force, or fraud constitutes human trafficking. The bill provides that a person who recruits, harbors, or transports a child less than 16 years of age with the intent of engaging the child in forced labor, involuntary servitude, prostitution, or sexual conduct commits promotion of human trafficking of a minor, a Class B felony. The bill also prohibits a person at least 18 years of age from selling or transferring custody of a child less than 16 years of age for the purpose of prostitution or participation in sexual conduct. This bill provides that the name of a victim of human trafficking is confidential for purposes of the public records law.

(The introduced version of this bill was prepared by the Criminal Code Evaluation Commission.)

Effective Date: Upon passage.

Explanation of State Expenditures: This bill adds three criminal provisions to current law regarding human and sexual trafficking.

- (1) Under the bill, individuals who use force, threat of force, or fraud to recruit, harbor, or transport another person for participation in sexual conduct would commit promotion of human trafficking, a Class B felony.
- (2) The bill adds that if a person were to recruit, harbor, or transport a child under the age of 16 with the intent of forcing the child into labor, involuntary servitude, prostitution, or participating in sexual conduct commits promotion of human trafficking of a minor, also a Class B felony.

- (3) The bill also adds that a person (rather than a parent, guardian, or custodian of a child) at least 18 years of age who knowingly sells or transfers custody of a child under the age of 16 for the purpose of participating in sexual conduct commits sexual trafficking of a minor, a Class A felony.

The addition of these criminal penalties is expected to increase the number of Class A and Class B felony convictions in the state. Any increase in Class A and Class B felony convictions is indeterminable.

A Class A felony is punishable by a prison term ranging from 20 to 50 years and a Class B felony is punishable by a prison term ranging from 6 to 20 years, both depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$18,836 in FY 2011. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$3,318 annually, or \$9.09 daily, per prisoner. The estimated average cost of housing a juvenile in a state juvenile facility was \$75,591 in FY 2011. The average length of stay in Department of Correction (DOC) facilities for all Class A felony offenders is approximately 9.1 years and all Class B felony offenders is approximately 3.7 years.

Explanation of State Revenues: If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class A and a Class B felony is \$10,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 criminal costs fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$5), judicial salaries fee (\$19), public defense administration fee (\$5), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$2) are deposited into the state General Fund.

Explanation of Local Expenditures: If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. The average cost per day is approximately \$44.

Explanation of Local Revenues: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 criminal costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of the criminal costs fee. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected: Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Sheriffs' Association, Department of Correction.

Fiscal Analyst: Bill Brumbach, 232-9559.